

## **Request for City Council Committee Action** from the Departments of Police and Fire

Date:

March 10, 2011

To:

Public Safety, Civil Rights and Health Committee

Referral to: Ways and Means/ Budget Committee

Subject:

Exception from Equal Benefits general contract condition for Lifetime

**Fitness** 

Recommendation: That the City Council grant an exception pursuant to M.C.O. § 18.200(g)(2)(c) exempting Life Time Fitness, Inc. from compliance with the Equal Benefits Ordinance (M.C.O. § 18.200) during the duration of its contract with the City to provide health club memberships to sworn personnel in Police, Fire and Park Police.

**Previous Directives: 2/25/11:** Negotiate and execute contract with Lifetime Fitness to provide memberships for sworn members of the Fire, Police and Park Police Departments (\$460,400 annually).

## **Department Information**

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## **Financial Impact**

No financial impact

## **Supporting Information:**

The Equal Benefits Ordinance ("EBO"), M.C.O. § 18.200 requires contractors with City contracts valued at over \$100,000 to provide to their employees with domestic partners benefits equal to those provided to employees who are married. The EBO further requires that notice of the requirements of the EBO be provided in every RFP involving goods or services and that that, unless an exception is granted by the city council every contract include a provision that the contractor will comply with this EBO. M.C.O. § 18.200(g) provides for the granting of exceptions to contracting requirement. The City Council may grant an exception in either emergency situations (M.C.O. § 18.200(g)(1)) or where such exception is in the best interests of the City (M.C.O. § 18.200(q)(2)). In determining whether such an exception is in the best interest of the City, the City Council is to consider the following nonexclusive factors:

- The original contract was for \$100,000.00 or less and the amended contract exceeds \$100,000.00.
- In a bid situation, none of the bidders can comply with the EBO, and one (1) or more of the bids would have been responsive if compliance with the EBO was not required.
- A RFP requests unique services that can only be reasonably provided by one contractor.

- d. There is only one bidder.
- e. Only one proposal is submitted to a request for proposal.
- f. The city council determines that the City of Minneapolis would gain a substantial cost savings by awarding a personal services contract to a contractor that will not comply with this section.

(M.C.O. § 18.200(h)). A decision of the City Council either granting or denying an exception to the EBO is final.

The existing contract amendment with Lifetime Fitness, Inc. ("Lifetime") expires March 31, 2011. The City issued an RFP to select a new vendor for provision of health club memberships to sworn personnel in Police, Fire and Park Police. The City included the required notice regarding the EBO requirements.

Lifetime was selected to provide these services under a contract anticipated to run through December 31, 2014. Lifetime was the only respondent to the RFP that had sufficient facilities and amenities to meet the substantive requirements of the RFP. However, they are not now, and will not be in the future, compliant with the EBO. Accordingly, we are asking the City Council to grant an exception under M.C.O. § 18.200(g)(2)(c) (Contractor is providing unique services that can only be reasonably provided by that Contractor) to the requirements of the EBO for the term of this contract.